

WEIL, GOTSHAL & MANGES LLP  
767 Fifth Avenue  
New York, New York 10153  
Telephone: (212) 310-8000  
Facsimile: (212) 310-8007  
Garrett A. Fail

Attorneys for Lehman Brothers Holdings Inc.  
and Certain of its Affiliates

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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<b>In re</b>	: <b>Chapter 11 Case No.</b>
	:
<b>LEHMAN BROTHERS HOLDINGS INC., et al.,</b>	: <b>08-13555 (JMP)</b>
	:
<b>Debtors.</b>	: <b>(Jointly Administered)</b>
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**NOTICE REGARDING THIRD DISTRIBUTION PURSUANT TO  
THE MODIFIED THIRD AMENDED JOINT CHAPTER 11 PLAN OF  
LEHMAN BROTHERS HOLDINGS INC. AND ITS AFFILIATED DEBTORS**

As previously disclosed, additional Distributions under the *Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and Its Affiliated Debtors*, dated December 5, 2011 [ECF No. 26039],<sup>1</sup> will commence on April 4, 2013 (the "Third Distribution Date").

Attached hereto as Exhibit A is a list that indicates the percentage recovery that will be distributed to holders of Allowed Claims (other than secured, administrative or priority claims) against each Debtor in each Class under the Plan as well as the cumulative percentage recovery.

Attached hereto as Exhibit B is a summary of the aggregate amount that will be distributed to holders of Allowed non-priority unsecured Claims as of the Third Distribution Date.

Attached hereto as Exhibit C is a list that indicates the amount and percentage of the Minimum Cash Reserve and the Asset-to-Reserve Ratio that will be maintained by each Debtor that uses Non-Cash Assets in lieu of Available Cash as reserves for Disputed Claims.

<sup>1</sup> Capitalized terms used herein shall have the meanings ascribed to them in the Plan or the *Order Authorizing Use of Non-Cash Assets In Lieu of Available Cash As Reserves for Disputed Claims Pursuant to Section 8.4 of the Debtors' Confirmed Joint Plan* [ECF No. 25641], as applicable.

In addition to the approximately \$13.8 billion of Distributions identified in Exhibit B, in accordance with section 8.4 of the Plan, the Debtors will pay an additional \$370 million of Distributions to holders of recently Allowed Claims for amounts they would have received had those Claims, including Convenience Claims, been Allowed at the time of the previous Distributions.

Dated: March 27, 2013  
New York, New York

/s/ Garrett A. Fail  
Garrett A. Fail

WEIL, GOTSHAL & MANGES LLP  
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New York, New York 10153  
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and Certain of its Affiliates

**Exhibit A**

				Distribution as a % of Allowed Claims			
				Initial Distribution on 4/17/2012 <sup>(1)</sup>	Second Distribution on 10/1/2012 <sup>(1)</sup>	Third Distribution on 4/4/2013 <sup>(1)</sup>	Cumulative Distribution
<b>Lehman Brothers Holdings Inc.</b>							
Class	3	Senior Unsecured Claims		6.023822%	3.814592%	4.973258%	14.811672%
Class	4A	Senior Affiliate Claims		4.621059%	3.115203%	3.931802%	11.668064%
Class	4B	Senior Affiliate Guarantee Claims		4.511537%	3.044562%	3.843169%	11.399268%
Class	5	Senior Third-Party Guarantee Claims		3.609229%	2.435579%	3.076315%	9.121123%
Class	6A	Convenience Claims		26.000000%	N/A	N/A	26.000000%
Class	6B	Guarantee Convenience Claims		17.000000%	N/A	N/A	17.000000%
Class	7	General Unsecured Claims		5.655426%	3.574822%	4.658111%	13.888359%
Class	8	Affiliate Claims		4.252663%	2.875433%	3.616655%	10.744751%
Class	9A	Third-Party Guarantee Claims other than those of the RACERS Trusts		3.402130%	2.300346%	2.893324%	8.595800%
Class	9B	Third Party Guarantee Claims of the RACERS Trusts		2.069274%	1.399137%	1.759803%	5.228214%
Class	10A	Subordinated Class 10A Claims		N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
Class	10B	Subordinated Class 10B Claims		N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
Class	10C	Subordinated Class 10C Claims		N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>	N/A <sup>(2)</sup>
<b>Lehman Commercial Paper Inc.</b>							
Class	3	Convenience Claims		60.000000%	N/A	N/A	60.000000%
Class	4A	General Unsecured Claims other than those of Designated Entities		16.426654%	9.153147%	14.420168%	39.999969%
Class	4B	General Unsecured Claims of Designated Entities		10.958881%	8.433891%	12.341580%	31.734352%
Class	5A	Affiliate Claims of LBHI <sup>(3)</sup>		12.970405%	10.542363%	15.426975%	38.939743%
Class	5B	Affiliate Claims of Participating Subsidiary Debtors		10.958881%	8.433891%	12.341580%	31.734352%
Class	5C	Affiliate claims other than those of Participating Debtors		11.780797%	9.066432%	13.267198%	34.114427%
<b>Lehman Brothers Commodity Services Inc.</b>							
Class	3	Convenience Claims		55.000000%	N/A	N/A	55.000000%
Class	4	General Unsecured Claims		45.692744%	4.024636%	7.054080%	56.771460%
Class	5A	Affiliate Claims of LBHI <sup>(3)</sup>		53.131098%	4.679809%	8.202418%	66.013325%
Class	5B	Affiliate Claims of Participating Subsidiary Debtors		N/A	N/A	N/A	N/A
Class	5C	Affiliate claims other than those of Participating Debtors		45.692744%	4.024636%	7.054080%	56.771460%
<b>Lehman Brothers Special Financing Inc.</b>							
Class	3	Convenience Claims		32.000000%	N/A	N/A	32.000000%
Class	4A	General Unsecured Claims other than those of the Racers Trust		20.354027%	1.700449%	2.534159%	24.588635%
Class	4B	General Unsecured Claims of Designated Entities		10.362176%	0.873395%	1.308584%	12.544155%
Class	5A	Affiliate Claims of LBHI <sup>(3)</sup>		20.643932%	1.794955%	2.689333%	25.128220%
Class	5B	Affiliate Claims of Participating Subsidiary Debtors		17.036634%	1.435964%	2.151466%	20.624064%
Class	5C	Affiliate claims other than those of Participating Debtors		20.018045%	1.687258%	2.527973%	24.233276%
<b>Lehman Brothers OTC Derivatives Inc.</b>							
Class	3	Convenience Claims		34.000000%	N/A	N/A	34.000000%
Class	4	General Unsecured Claims		15.494402%	1.010837%	1.799785%	18.305024%
Class	5A	Affiliate Claims of LBHI <sup>(3)</sup>		16.841742%	1.098736%	1.956288%	19.896766%
Class	5B	Affiliate Claims of Participating Subsidiary Debtors		13.473393%	0.878989%	1.565031%	15.917413%
Class	5C	Affiliate claims other than those of Participating Debtors		15.494402%	1.010837%	1.799785%	18.305024%
<b>Lehman Brothers Commercial Corporation</b>							
Class	3	Convenience Claims		40.000000%	N/A	N/A	40.000000%
Class	4	General Unsecured Claims		25.655209%	17.040197%	10.341640%	53.037046%
Class	5A	Affiliate Claims of LBHI <sup>(3)</sup>		N/A	N/A	N/A	N/A
Class	5B	Affiliate Claims of Participating Subsidiary Debtors		22.804630%	15.146842%	9.192569%	47.144041%
Class	5C	Affiliate claims other than those of Participating Debtors		25.655209%	17.040197%	10.341640%	53.037046%
<b>Lehman Brothers Derivative Products Inc.</b>							
Class	3	General Unsecured Claims		55.565278%	6.417969%	38.016753%	100.000000%
Class	4A	Affiliate Claims of LBHI		N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI		55.565278%	6.417969%	38.016753%	100.000000%
<b>Lehman Brothers Financial Products Inc.</b>							
Class	3	General Unsecured Claims		100.000000%	N/A	N/A	100.000000%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>		100.000000%	N/A	N/A	100.000000%
Class	4B	Affiliate claims of Affiliates other than those of LBHI		100.000000%	N/A	N/A	100.000000%
<b>LB 745 LLC</b>							
Class	3	General Unsecured Claims		1.364536%	4.259858%	27.188597%	32.812991%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>		1.364536%	4.259858%	27.188597%	32.812991%
Class	4B	Affiliate claims of Affiliates other than those of LBHI		N/A	N/A	N/A	N/A
<b>PAMI Statler Arms LLC</b>							
Class	3	General Unsecured Claims		N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>		N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI		N/A	N/A	N/A	N/A

**Distributions to Holders of Allowed Non-Priority Unsecured Claims**

			Distribution as a % of Allowed Claims			
			Initial Distribution on 4/17/2012 <sup>(1)</sup>	Second Distribution on 10/1/2012 <sup>(1)</sup>	Third Distribution on 4/4/2013 <sup>(1)</sup>	Cumulative Distribution
<b>CES Aviation LLC</b>						
Class	3	General Unsecured Claims	7.250282%	2.308120%	21.521977%	31.080379%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>	7.250282%	2.308120%	21.521977%	31.080379%
Class	4B	Affiliate claims of Affiliates other than those of LBHI	7.250282%	2.308120%	21.521977%	31.080379%
<b>CES Aviation V LLC</b>						
Class	3	General Unsecured Claims	0.994823%	0.461795%	3.889401%	5.346019%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>	0.994823%	0.461795%	3.889401%	5.346019%
Class	4B	Affiliate claims of Affiliates other than those of LBHI	N/A	N/A	N/A	N/A
<b>CES Aviation IX LLC</b>						
Class	3	General Unsecured Claims	1.745863%	0.715306%	6.508158%	8.969327%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>	1.745863%	0.715306%	6.508158%	8.969327%
Class	4B	Affiliate claims of Affiliates other than those of LBHI	1.745863%	0.715306%	6.508158%	8.969327%
<b>East Dover Limited</b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>	7.661660%	N/A	N/A	7.661660%
Class	4B	Affiliate claims of Affiliates other than those of LBHI	N/A	N/A	N/A	N/A
<b>Lehman Scottish Finance L.P.</b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI	N/A	N/A	N/A	N/A
<b>Luxembourg Residential Properties Loan Finance S.a.r.l.</b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI	N/A	N/A	N/A	N/A
<b>BNC Mortgage LLC</b>						
Class	3	General Unsecured Claims	9.091815%	3.778413%	2.377620%	15.247848%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI	9.091815%	3.778413%	2.377620%	15.247848%
<b>LB Rose Ranch LLC <sup>(4)</sup></b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI	N/A	N/A	N/A	N/A
<b>Structured Asset Securities Corporation</b>						
Class	3	General Unsecured Claims	6.498871%	5.229359%	10.190222%	21.918452%
Class	4A	Affiliate Claims of LBHI <sup>(3)</sup>	6.498871%	5.229359%	10.190222%	21.918452%
Class	4B	Affiliate claims of Affiliates other than those of LBHI	6.498871%	5.229359%	10.190222%	21.918452%
<b>LB 2080 Kalakaua Owners LLC <sup>(4)</sup></b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims of Affiliates other than those of LBHI	N/A	N/A	N/A	N/A
<b>Merit, LLC</b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims	1.091344%	0.578678%	0.395373%	2.065395%
<b>LB Somerset LLC</b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims	N/A	N/A	N/A	N/A
<b>LB Preferred Somerset LLC</b>						
Class	3	General Unsecured Claims	N/A	N/A	N/A	N/A
Class	4A	Affiliate Claims of LBHI	N/A	N/A	N/A	N/A
Class	4B	Affiliate claims	N/A	N/A	N/A	N/A

**Notes:**

<sup>(1)</sup> "N/A" indicates either \$0 available cash for Distributions, \$0 in Allowed Claims within the specific class or, with respect to the second and third Distributions, classes that were satisfied in the previous Distributions

<sup>(2)</sup> Distributions reallocated in accordance with Section 6.4 of the Plan

<sup>(3)</sup> In accordance with sections 6.5(b) and 6.5 (c) of the Plan, LBHI is participating in Distributions in the amount and to the extent set forth on Page 4 of the Debtor's Claims Schedule, as amended

<sup>(4)</sup> In accordance with section 8.3 of the Plan, Debtors are not required to make Distributions of less than \$10 million in aggregate

**Exhibit B**

Exhibit B

Summary of Third Distribution to Non-Priority Unsecured Claims (April 4, 2013)

\$ in millions

Debtors <sup>(1)</sup>	Cash Available for Distribution								Claims <sup>(7)</sup>			Distribution		
	Unrestricted Cash <sup>(2)</sup>	Reserves and Adjustments to Cash <sup>(3)</sup>	Initial Cash Available for Distribution	Cash Available from Distributions from Other Debtors and Certain Non-Debtors <sup>(4)</sup>	Redistribution from Claims Reserves <sup>(5)</sup>	Plan Adjustments <sup>(6)</sup>	Catch-Up and Interest on Newly Allowed	Total Cash Available for Third Distribution	Allowed <sup>(8)</sup>	Disputed <sup>(9)</sup>	Total	Payment to Allowed Creditors	Net Increase to Disputed Claims Reserves <sup>(10)</sup>	Total
Lehman Brothers Holdings Inc.	\$ 4,950.4	\$ (177.7)	\$ 4,772.8	\$ 3,761.7	\$ 113.4	\$ 428.8	\$ (161.7)	\$ 8,915.1	\$ 230,430.7	\$ 54,591.4	\$ 285,022.1	\$ 8,721.9	\$ 193.1	\$ 8,915.1
Lehman Commercial Paper Inc.	\$ 3,802.8	\$ (80.8)	\$ 3,722.0	\$ 246.7	\$ 17.6	\$ (309.9)	\$ (1.8)	\$ 3,674.6	\$ 25,836.1	\$ 174.0	\$ 26,010.0	\$ 3,693.4	\$ (18.8)	\$ 3,674.6
Lehman Brothers Special Financing Inc.	\$ 1,301.5	\$ (55.3)	\$ 1,246.2	\$ 194.5	\$ 1.0	\$ (58.9)	\$ (177.5)	\$ 1,205.3	\$ 35,917.4	\$ 12,226.1	\$ 48,143.5	\$ 908.0	\$ 297.3	\$ 1,205.3
Lehman Brothers Commodity Services Inc.	\$ 45.6	\$ 47.2	\$ 92.8	\$ 9.8	\$ 161.0	\$ (23.4)	\$ (0.1)	\$ 240.0	\$ 2,974.6	\$ 236.2	\$ 3,210.8	\$ 220.6	\$ 19.4	\$ 240.0
Lehman Brothers OTC Derivatives Inc.	\$ 7.3	\$ 0.7	\$ 7.9	\$ -	\$ 17.1	\$ (0.9)	\$ (0.0)	\$ 24.1	\$ 713.9	\$ 562.8	\$ 1,276.7	\$ 13.1	\$ 11.0	\$ 24.1
Lehman Brothers Commercial Corporation	\$ 56.0	\$ 0.4	\$ 56.5	\$ 0.8	\$ 128.0	\$ (19.0)	\$ (0.2)	\$ 166.0	\$ 1,081.1	\$ 529.0	\$ 1,610.1	\$ 105.2	\$ 60.8	\$ 166.0
Lehman Brothers Derivative Products Inc.	\$ 0.7	\$ (0.1)	\$ 0.6	\$ 0.1	\$ 235.2	\$ -	\$ (0.0)	\$ 235.9	\$ 174.8	\$ 86.6	\$ 261.4	\$ 66.4	\$ 169.4	\$ 235.9
LB 745 LLC	\$ 6.1	\$ (0.1)	\$ 6.0	\$ 10.3	\$ 9.6	\$ -	\$ (0.0)	\$ 25.9	\$ 36.5	\$ 58.7	\$ 95.1	\$ 9.9	\$ 15.9	\$ 25.9
CES Aviation LLC	\$ -	\$ (0.1)	\$ (0.1)	\$ -	\$ 16.3	\$ -	\$ (0.0)	\$ 16.1	\$ 17.7	\$ 57.3	\$ 75.0	\$ 3.8	\$ 12.3	\$ 16.1
CES Aviation V LLC	\$ -	\$ (0.0)	\$ (0.0)	\$ -	\$ 2.5	\$ -	\$ (0.0)	\$ 2.5	\$ 6.2	\$ 57.1	\$ 63.3	\$ 0.2	\$ 2.2	\$ 2.5
CES Aviation IX LLC	\$ 0.0	\$ (0.0)	\$ (0.0)	\$ -	\$ 4.2	\$ -	\$ (0.0)	\$ 4.2	\$ 7.0	\$ 57.1	\$ 64.2	\$ 0.5	\$ 3.7	\$ 4.2
BNC Mortgage LLC	\$ 0.0	\$ (0.5)	\$ (0.5)	\$ 0.1	\$ 3.0	\$ -	\$ (0.0)	\$ 2.6	\$ 0.4	\$ 107.8	\$ 108.2	\$ 0.0	\$ 2.6	\$ 2.6
Structured Asset Securities Corporation	\$ 0.2	\$ (7.9)	\$ (7.7)	\$ 81.4	\$ 20.0	\$ -	\$ (0.0)	\$ 93.6	\$ 470.7	\$ 447.8	\$ 918.5	\$ 48.0	\$ 45.6	\$ 93.6
Merit LLC	\$ 0.0	\$ (0.0)	\$ (0.0)	\$ 1.3	\$ 0.0	\$ -	\$ -	\$ 1.3	\$ 324.7	\$ 11.1	\$ 335.8	\$ 1.3	\$ 0.0	\$ 1.3
												\$ 13,792.5	\$ 814.7	\$ 14,607.1

Notes:

<sup>(1)</sup> Includes all Debtors making a Distribution on the Third Distribution Date. Debtors not listed will not be making Distributions to non-priority unsecured creditors on this date

<sup>(2)</sup> As of 3/15/13

<sup>(3)</sup> Includes all, or some, of the following: (a) provisions for operating expenses and other operating reserves; (b) provisions for other commitments (e.g. unfunded loans, etc.); (c) reserves for anticipated investments; (d) additional reserves for Secured, Administrative, Priority and Convenience Claims not included in restricted cash (e) pro forma cash adjustments; and (f) reserves for interest on Disputed Claims

<sup>(4)</sup> Includes payments from/to Debtors and other Debtors and certain Debtor Controlled Entities calculated to maximize Distributions to all creditors

<sup>(5)</sup> Represents amounts that were reserved at the previous Distributions that are now available for Distribution as Disputed Claims have been reduced, withdrawn or allowed at amounts less than previously reserved

<sup>(6)</sup> Plan Adjustment is calculated based on payment of Allowed Claims including Distributions on newly Allowed Claims. It is not calculated on the Disputed Claims Reserve

<sup>(7)</sup> Does not include Convenience Claims

<sup>(8)</sup> In accordance with sections 6.5 (b) and 6.5 (c) of the Plan, LBHI is participating in Distributions in the amount and to the extent set forth on Page 4 of the Debtor's Claims Schedule, as amended

<sup>(9)</sup> Estimate of Disputed Claims for reserve purposes only. Certain Claims have been estimated at less than filed amounts as agreed to through a stipulation or settlement agreement. Does not include estimates for unliquidated Claims

<sup>(10)</sup> Reserves set aside at LBDP are for both the full satisfaction of the remaining disputed claims, as well as potential post-petition interest

**Exhibit C**



**Minimum Cash Reserve and Asset-to-Reserve Ratios for Third Distribution (April 4, 2013)**

\$ in millions

Description	Lehman Brothers Holdings Inc.	Lehman Commercial Paper Inc.	Lehman Brothers Special Financing Inc.
<b>Assets <sup>(1)</sup></b>			
Financial Inventory as of 12/31/12 <sup>(2)</sup>	\$ 766	\$ 4,539	\$ 1,929
Encumbered Inventory Adjustment <sup>(3)</sup>	(64)	(1,775)	(6)
Asset Transfer Adjustment <sup>(4)</sup>	1	339	-
Subsequent Collections <sup>(5)</sup>	(548)	(2,065)	(352)
Receivables & Other Assets <sup>(6)</sup>	326	212	-
Investment in Affiliates <sup>(7)</sup>	2,536	4,339	-
Interco. Receivables <sup>(8)</sup>	8,829	1,237	252
Non-Controlled Affiliate Receivables <sup>(9)</sup>	2,350	31	172
<b>Total Assets</b>	<b>\$ 14,196</b>	<b>\$ 6,857</b>	<b>\$ 1,995</b>

**Required Claims Reserve**

% of Reserves for Disputed Claims Held in Cash	<b>25%</b>	<b>25%</b>	<b>79%</b>
Reserve for Disputed Claims	\$ 6,414	\$ 79	\$ 3,193
Less: Plan Adjustments & Plan Settlement Reserves <sup>(10)</sup>	(519)	(10)	(41)
Reserve Available to All Classes	5,895	69	3,152
Less: Minimum Cash Reserve	(1,474)	(17)	(2,487)
<b>Net Asset Requirement</b>	<b>\$ 4,421</b>	<b>\$ 52</b>	<b>\$ 665</b>
<b>Total Asset-to-Reserve Ratio</b>	<b>3.2x</b>	<b>132.4x</b>	<b>3.0x</b>

**Notes:**

<sup>(1)</sup> Certain classifications and calculations utilized in this report differ from prior notices of distribution; accordingly amounts may not be comparable to such notices

<sup>(2)</sup> As reflected in the December 31, 2012 Balance Sheets filed with the Bankruptcy Court

<sup>(3)</sup> Certain assets included in Financial Inventory are encumbered to Debtors and Third Parties and therefore are not used in the calculation of Asset-to-Reserve Ratios; Please refer to the Notes and Supplemental Schedules to the December 2012 Balance Sheets

<sup>(4)</sup> Assets encumbered to LBHI and LCPI as described in the Notes and Supplemental Schedules to the December 31, 2012 Balance Sheets

<sup>(5)</sup> Reflects net proceeds received by LBHI and LCPI in February 2013 related to the Archstone Acquisition (the assets associated with these proceeds would have been reflected in Financial inventory, Receivables from Controlled Affiliates and/or Investment in Affiliates at LBHI and LCPI per the December 31, 2012 Balance Sheet.) At LBSF, relates to derivative collections through February 2013. (Please refer to the Post-Effective Date Operating Reports for more information)

<sup>(6)</sup> For LBHI and LCPI, amounts included in the balance sheet caption "Receivables from Controlled Affiliates and Other Assets" as of December 31, 2012

<sup>(7)</sup> Includes Equity Interests in Affiliates per the Debtor's Disclosure Statement For Third Amended Joint Chapter 11 Plan filed on August 31, 2011 ("Disclosure Statement"), updated for significant cash collections, reclassification of certain inventory positions, funding and other activities through March 15, 2013. Amounts differ from the balances reported in the December 31, 2012 Balance Sheets as the Balance Sheets are presented on a historical basis

<sup>(8)</sup> Includes recovery on intercompany receivables from both Debtors and Debtor-Controlled Entities (per Exhibit 4 of the Disclosure Statement) including RACERS Trust Claims, adjusted for cash collections, intercompany funding and other activities through the third distribution, including payments from Debtor-Controlled Entities on intercompany balances through March 15, 2013. Amounts differ from the balances reported in the December 31, 2012 Balance Sheets as the Balance Sheets are presented on a historical basis

<sup>(9)</sup> Includes recoveries from Non-Controlled Affiliates per the 2012+ Cash Flow Estimates, net of collections through March 15, 2013. Amounts differ from the balances reported in the December 31, 2012 Balance Sheets as the Balance Sheets are presented on a historical basis

<sup>(10)</sup> Includes only a portion of Plan Adjustments and Plan Settlement amounts reserved for Disputed Claims

**This report is not meant to be relied upon as a complete description of the Company, its business, condition (financial or otherwise), results of operations, prospects, assets or liabilities. This report should be read in conjunction with previously filed reports by the Company, including the December 31, 2012 Balance Sheets, including Notes and Supplemental Schedules, 2012+ Cash Flow Estimates, Form 8-K reports, the Plan and related Disclosure Statement.**